

REMARKS

Claims 1, 3-16, 19, 21-22, 29, 31-33 and 35-36 stand rejected under 35 USC 112, second paragraph, as allegedly being indefinite. In response, many of these claims are amended herewith for definiteness.

The objection to Claim 21 is respectfully traversed, since Claim 19 refers to the "crossed inverse quasigroup" as "the quasigroup". Hence, the reference to "said quasigroup" in Claim 21 is completely correct.

The claims stand rejected under 35 USC 101 as allegedly being directed to nonstatutory subject matter. These contentions are respectfully traversed for reasons set forth herein. In each of the claims, first of all, information is encrypted and hence changed by the encryption. As such, there is physical transformation of the information. There is also a useful concrete and tangible result since the claims recite changing something to a different state or thing: an encrypted message.

The rejection states that the claimed invention is "directed to an arbitrary math technique". However, this claim does not preempt or attempt to preempt any kind of algorithm. It defines forming encrypted information based on information to

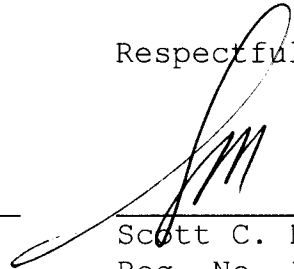
be encrypted. As such, it is not directed to solely a mathematical algorithm, and does not simply manipulate abstract ideas. There is clearly a practical application, since it is forming encrypted information. As such, the rejection under 35 USC 101 is respectfully traversed.

A notice of appeal is concurrently filed in order to preserve applicant's right to appeal.

Applicants ask that all claims be allowed. Please apply all applicable charges or credits to Deposit Account No. 06-1050.

Respectfully submitted,

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